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Section C

Security Assistance Accounting Performance Work Statement

C. BACKGROUND

This Defense Finance and Accounting Service (DFAS) Performance Work Statement (PWS) requires a Contractor to provide accounting support for the U. S. Government's Security Assistance Accounting (SAA) programs. This includes accounting events related to Foreign Military Sales (FMS), Foreign Military Financing (FMF), Special Defense Acquisition Fund (SDAF), International Military Education and Training (IMET), and other elements of the SAA program as defined by the Security Assistance Management Manual (SAMM) and in Volume 15 of the Department of Defense (DoD) Financial Management Regulation (FMR). Successful provision of these services shall encompass the coordination of SAA policy and procedures; execution of financial accounting, reporting, and reconciliation; management of FMS Trust Fund cash; performance of customer relationship management; management and completion of system change requests, software updates, and maintenance of the Security Assistance Accounting Automated Information System (SAA AIS); recording, reporting, and reconciling of financial payments and delivery transactions to the SAA AIS; administration; and performance of activities related to closure of FMS cases/lines.

The purpose of this contract is to provide accurate and timely recording, reporting, and reconciling of accounting events (as reflected in Section J.1 and J.6) related to SAA functions. For the remainder of Section C, "government" refers to the DFAS and "Contractor" refers to any entity that intends to perform the required work of this PWS. Acronyms, Abbreviations and Definitions of relevant terms are set forth in Section J.2. The Performance Requirements Summary (PRS) and Workload estimates are set forth in Sections J.1 and J.6, respectively.

C-1 GENERAL INFORMATION

The objective of the DFAS SAA requirement is to perform optimum finance and accounting business operations in accordance with the DFAS corporate strategy. This involves applying best commercial practices, leveraging technology, employing business process reengineering, and streamlining procedures that result in improved performance and reduced cost. In accordance with the DFAS Competitive Sourcing Guide, the PWS contained herein is not overly prescriptive and DFAS anticipates that this type of PWS should permit appropriate innovations to be offered by the Contractor that can lead to increased efficiency and improved levels of quality. The PWS focuses on defining desired results or outputs and acceptable levels of performance rather than how to achieve those results. Further, the requirements that the Contractor shall perform are compliant with all applicable laws, regulations, and policies. The requirements that the Contractor shall perform are included in this section of the solicitation. Section J provides the Technical Exhibits that further define the required services for successful

performance of the work effort described herein. Technical Exhibits included in Section J are as follows:

- J-1 Performance Requirements Summary
- J-2 Technical Definitions, Abbreviations, and Acronyms
- J-3 List of Publications (Laws, Regulations)
- J-4 Listing of GFP, GFE, GFM, and GFS
- J-5 Required Interface Systems
- J-6 Workload Estimates
- J-7 Defense Integrated Financial System (DIFS) Description
- J-8 Applicable Forms
- J-9 Contract Data Requirements List
- J-10 Required Reports
- J-11 Personnel Requirements for Government Directed AIS Changes
- J-12 Past Performance Questionnaire

C-1.1 Contractor Compliance

The Contractor shall support the government oversight tasking as outlined in the Federal Managers' Financial Integrity Act (FMFIA). See the list of Publications in Section J.3 for laws, regulations, and policy guidance applicable to the requirements stated in Section C. The Contractor shall adhere to accounting standards to include, but not be limited to the American Institute of Certified Public Accountants (AICPA), Generally Accepted Accounting Principles (GAAP), and the Financial Accounting Standards Advisory Board (FASAB).

C-1.2 Contractor Commitment

The Contractor shall commit to perform all functions and deliver all services that are required for the proper performance and provision of the services included in the contract. The applicable laws, regulations, and policies that govern how DFAS provides the SAA services are contained in Section J.3 of this PWS. The Contractor shall obtain determinations from the government on all matters that require a substantive interpretation about the application of the legal authorities and eligibility requirements that relate to SAA operations. In addition, the Contractor shall notify the government of any 3rd party contractual issues that may affect performance under this contract. The Contractor shall also be responsible for providing accurate and timely finance and accounting services in performance of processes, activities, and tasks associated with the SAA business operations and identified in Section J.6 (Workload Estimate).

A Major Command (MAJCOM)-Air Force Realignment plan and Army Standardization Realignment are in the process of implementation. With the MAJCOM realignment in place, workload may be transferred from one field location to another. Regardless of location, the Contractor shall be responsible for the functions to be performed for SAA. Once the Army realignment is in place, functions may be transferred back to the Services

requiring they be ruled outside the scope of the SAA A-76 Study. The Realignment Schedule is available in the Reference Library.

C-1.3 Retention of Inherently Governmental Functions

C-1.3.1 In performing SAA operations on behalf of the government, the Contractor shall determine the propriety of all actions performed under the contract which include financial accounting, reporting, and reconciliation for corporate, departmental, and installation level customers, cash management accounting, customer relationship management, responding to audits, delivery reporting, and case closure, in accordance with the DFAS performance contract. While the Contractor routinely shall apply statutory, regulatory, and other applicable legal authorities to accomplish these tasks, the government retains the inherently governmental authority to substantively determine how all such legal authorities affect the accounting and reporting for funds. The Contractor shall interface with the government on an as-required basis for all SAA related matters.

C-1.3.2 The Contractor shall obtain determinations from the Government on all matters that require interpretation.

C-1.3.3 The government retains approval authority for responses to Freedom of Information Act (FOIA) requests. The government will approve agency responses to the administrative appeals of denials of FOIA requests; however, the Contractor shall provide information and support in the preparation of all FOIA responses.

The systems notice for Privacy Act Material is available on the Internet under <http://www.defenselink.mil/privacy/notices/dfas/>.

C-1.3.4 The government retains responsibility of the Responsible Contract Reconciliation Agent (RCRA) for the review, validation, and certification of adjustments to either accounting systems or the disbursing system. The Contractor will support the RCRA in carrying out functions required to assist in reconciling contracts up until the point in time the RCRA must review and sign off on each reconciliation package.

C-1.3.5 The Government retains responsibility for functions designated for certifying officers such as those involving certification of a document and/or action that result in authorizing a voucher or final approval of a trial balance or Chief Financial Officer (CFO) statements. The Contractor will support the certifying officers in routine tasks required for the preparation of documents that require official government certification.

C-1.4 Key Personnel

C-1.4.1 Contractor Representative (Primary)

The Contractor shall designate in writing the name of a representative and alternate(s) who shall be responsible for the performance of the work. The representative and alternate(s) shall have full authority to act for the Contractor on all matters.

C-1.4.2 Availability

The Contractor representative or alternate(s) shall be available during normal duty hours within 60 minutes, and within 2 hours after normal duty hours to discuss problem areas.

C-1.4.3 Use of Language

The primary representative, alternate(s), and all employees shall be able to read, write, speak, and understand English.

C-1.4.4 Specialized Training for Professional Series Accountants

The Contractor shall maintain a professional series of qualified accountants under this PWS. At least 33 percent of the full time equivalents (FTEs) hired to perform the work must comply with the required qualifications. Qualified accountants will have a minimum of 24 semester hours of accredited accounting courses. The Contractor shall support and encourage staff to take continuing professional education credits during the course of this contract. The Government will provide initial systems training for DIFS and interfacing systems.

C-1.4.5 Security Clearance Requirements

Security Assistance information occasionally requires the use of classified data and thereby an official DoD security clearance. In addition, obtaining security clearances often satisfies requirements for systems access and minimizes access approval time. At a minimum, the Contractor shall ensure that employees who must handle classified data apply for security clearances and receive them in advance of on-the-job placement.

C-1.5 Records and Data

All records and data turned over to the Contractor as well as any new records and data created by the Contractor remain the property of the Government. The Contractor shall only use information obtained from the AIS or any other source for the purpose for which it was provided.

The Contractor shall perform as follows:

- Accept and maintain all historical records and data
- Create new records and data
- Retain records and data in accordance with current regulations
- Provide any records and data files in then-current media format, or the original records, or a reproducible copy of any such records.

- Turn over all records, files, and data to the DFAS at the end of the performance period.
- Provide classified storage of records and data.

The government will provide classified storage as described in Section J.4, Government Furnished Property and Services. The Contractor shall provide additional classified storage as required during the performance of this contract.

C-1.6 Travel

The Contractor, in performance of SAA functions, shall travel to customer sites upon request by the customer or the Military Departments. In performance of travel requirements, the Contractor shall receive approval for travel by the government Acquisition Support Office (ASO) via the Contracting Officer's Representative (COR). The Contractor shall also report all travel and associated costs on a monthly basis. All travel will be reimbursable in accordance with the Joint Travel Regulations (JTR), Volume 2. Section J.6, Workload Estimate, contains a description of historical SAA travel requirements.

C-1.7 Management Plan

The Contractor shall develop and maintain a project management plan that identifies the operational relationship and plan that shall exist between the Contractor and the DFAS. The Contractor shall develop the project management plan to conform to the DFAS requirements and the Contractor's proposal. The Contractor shall coordinate with the DFAS staff and its customers to identify information required to develop the project management plan. The Contractor's management plan shall include the proposed lines of responsibility, authority, and communication through which the SAA operations requirements and the AIS maintenance and changes shall be managed as well as the procedures to be taken to ensure quality and cost control. The Contractor's management plan shall include an operational overview of its company, its capabilities, management structure, locations, as well as any other information that shall highlight strengths and compatibility to perform this effort. The management plan shall be completed in accordance with Section L requirements and the schedule in Section J.9, Contract Data Requirement List (CDRL) A0001.

C-1.7.1 Quality Control Plan

The Contractor shall provide a plan to demonstrate quality control methods that show a commitment to ensuring improvements in quality, responsiveness, productivity, and management of this PWS. The quality control plan shall be completed in accordance with the schedule in Section J.9, CDRL A0003.

C-1.7.2 Contractor Transition Plans

C-1.7.2.1 Transition Plan

C-1.7.2.1.1. The Contractor shall provide a transition plan that describes the start-up and transition of the services described in Section C. The Contractor shall address the following procedures and schedule for the transition of existing workload, records, files and data from the following:

- ◆ All existing DFAS locations to include:
Columbus, Ohio; Denver, Colorado; Dayton, Ohio; Limestone, Maine;
Omaha, Nebraska; San Antonio, Texas; San Bernardino, California; and St.
Louis, Missouri.

The Contractor must complete the transition without a decline or disruption to on-going operations. Reference Section J.9, CDRL A0006, for a description of the Transition Plan requirements.

C-1.7.2.1.2. The Contractor shall complete the transition to full contract performance within the 6-month base period of the contract, or within any other base period for transition offered by the contract during contract award negotiations. The Contractor shall address in detail the approach and schedule to be employed in transitioning to Contractor related business operations, AIS (if other than DIFS). The transition plan shall delineate between Government and Contractor responsibilities and address testing validation procedures for each major event to ensure transition readiness.

C-1.7.2.1.3. The Contractor shall develop a plan for transferring data from the Government's system to the Contractor's system should the Contractor elect to use an alternate to DIFS. In addition, this plan shall include a description of how the proposed new system will interface with current systems, of what connectivity will be provided to users, of what security provisions have been included, and if whether an intranet is available for users. Also, included will be an estimated period to transition operations.

C-1.7.2.1.4. The Contractor shall identify key persons participating in the transition including authority of Contractor management during the transition. The plan shall include a description of the opportunities for the government employees to be hired by the Contractor, and the salaries and benefits to be offered. The plan shall also address the extent to which employment opportunities shall be offered to employees who remain in government employment during the transition plan.

C-1.7.2.2 Continuity of Services Plan

C-1.7.2.2.1. The Contractor shall attend a phase-out meeting with the Contracting Officer six months prior to contract expiration and this meeting shall initiate the phase-out period. A successor (either the Government or another Contractor) shall require phase-in familiarization to continue satisfactory performance of the PWS services. During the phase-out period, the Contractor shall make available the highest level expertise to ensure a seamless transition between the incumbent and successor Contractor. Continuity of services shall be maintained without interruption. If the Contractor providing the services for the contract is the successor for follow-on work, then the current Contractor shall still be obligated to provide a phase-out meeting with the Government for familiarization

purposes. Reference Section J.9, CDRL A0007, for a description of the Continuity of Services Plan requirements.

C-1.7.2.2.2. At the conclusion of the contract, the Government will own all database information and files. The Contractor shall deliver all data base information and files to the government as directed by the Contracting Officer.

C-1.7.2.2.3. The Contractor shall prepare a detailed Continuity of Services Plan (COSP) that describes the Contractor's planned phase-out activities to effect the orderly, efficient and timely transfer of data files, functions, operations, and other system information under the contract. Reference Section J.9, CDRL A0007, for a description of the COSP requirements.

C-1.7.2.2.4. At the government's request, the Contractor shall continue operating its system(s) for up to six months into the successor Contractor's performance period. The overlap of services is intended to provide the government a means to determine that the successor system is operational prior to the incumbent removing the in-place operating system(s). This requirement in no way shifts the liability of the successor Contractor's performance to the incumbent Contractor.

C-1.7.3 Operations Plan

A detailed operations plan shall be included in the Management Plan (Reference Section J.9, CDRL A0001). The plan should describe how the Contractor shall fulfill the requirements of the performance work statement taskings on an on-going basis.

C-1.7.4 Security Plan

The Contractor shall develop a Security Plan in accordance with the requirements set forth in L.5, Section IV, Management Plan (Reference L.5, Section IV Management Plan and Section J.9, CDRL A0001) describing security countermeasures that satisfy all security directives and guidance. The Contractor shall maintain appropriate security and accreditation of valid security clearances throughout the contract.

C-1.7.5 Continuity of Operations Plan (COOP)

Continuity of Operations Plan (COOP) is a plan for emergency operations from an alternate business operations site, and from an alternate computer facility site. Reference Section J.9, CDRL A0008, for a description of the COOP requirements.

C-1.7.5.1. The Contractor shall provide a COOP that demonstrates the ability to perform the contracted services at an alternate business operation in the event of a major natural or man-made disaster at the primary place of performance.

C-1.7.5.2. The Contractor's COOP shall provide a methodology for preventive measures to adequately prepare for continuity of operations for processing, to include the

following: Off-site storage; AIS file backup; backup COOP plan for recovery of AIS including any processing supported by a Contractor; telecommunications; emergency procedures; vital records; location (control site, relocation site, off-site storage locations and reconstitution location) assets, automated equipment, and supplies.

C-1.7.6 Asset Protection

The Contractor shall submit a plan describing methods to protect records and other government assets from theft and/or destruction. Reference Section J.9, CDRL A00010.

C-1.7.7 Monthly Status Report

The Contractor shall submit monthly status reports of performance accomplishment in accordance with the requirements established in Section J.9, CDRL A0009.

C-1.8 Cyclical Nature of Requirements

Certain requirements of DFAS customers are cyclical in nature with surges at various times of the year. Surge requirements are anticipated with activities associated with customer billings, and fiscal year-end requirements. Unanticipated surges can result from events such as enactment of new legislation and General Accounting Office (GAO) audit and inquiry requests. (Reference Section J.2 for definition of “surge requirements”.) The workload information contained in Section J-6 is presented on an annual basis; thus the Contractor shall take surges and declines into account during proposal preparation.

C-2 DEFINITIONS

C-2.1. Section J.2 contains technical definitions, acronyms, and abbreviations pertinent to the SAA business area.

C-3 GOVERNMENT-FURNISHED PROPERTY AND SERVICES

C-3.1 Government Furnished Property

The Government offers the property, facilities, materials, and services described in Section J.4. Government furnished systems and associated access are described in Section J.5. The Contractor shall maintain accountability of all accepted Government property and shall comply with all applicable policy and guidance regarding its use.

C-3.1.1 N-level Internet Protocol Router Network (NIPRNET)

The Government offers to the Contractor to use the NIPRNET to provide global data communications access to current and future users and data interface partners. The Contractor shall provide connectivity to the NIPRNET and use a software application compatible with the current operating environment software that supports the NIPRNET.

C-3.1.2 Defense Integrated Financial System Automated Information System (DIFS AIS)

The Government will provide the DIFS AIS as Government Furnished Property. If the Contractor uses the Government-furnished DIFS AIS, the DIFS software technical data rights thereto, and data files as updated shall be returned to DFAS at the completion of the performance period.

The Government will provide initial user systems training for DIFS and interface systems during the transition period.

If the Contractor elects to use the DIFS, system enhancements and maintenance activities will be provided by the DFAS Denver Accounting Software Engineering Division (DFAS-TDA/DE). The DFAS-TDA/DE will provide production support in performance of DIFS jobs processing. The Contractor shall coordinate with DFAS-TDA/DE to ensure successful operation of the system software and activities necessary to support all system interfaces. Sections J.5 and J.5 address system interface requirements and a description of the DIFS AIS.

C-3.1.3 Facilities

The Government offers the facilities described in Section J.4 and proposed by the Contractor in the current “where-is/as-is” configuration. Government furnished facility space will remain subject to space allocation policies prescribed in applicable property management regulations. The Government offers the following services for the facilities as described in Section J.4:

- Utilities, to include, electricity, water, sewage and heating/cooling.
- Telephone services to include local, commercial long distance, and Digital Service Network. The Contractor shall use telephone service for official use. For these purposes, Government communications systems and equipment include Government telephones, fax machines, electronic mail, and Internet systems, as well as commercial systems where the use is paid for by the Federal Government.
- Custodial services.
- Real property maintenance.
- DFAS enterprise local area network (ELAN).
- Parking.

C-3.1.4 Equipment

The Government will offer the “where-is/as-is” equipment listed in Section J.4. The Contractor shall be responsible for all maintenance, repair, and replacement of all accepted Government equipment. The Contractor shall maintain custody of the equipment and return it to the Government at the end of its useful life or at the end of the performance period.

C-4 CONTRACTOR-FURNISHED SERVICES AND MATERIALS

C-4.1 The Contractor shall be responsible for providing all property, materials, and services that are required in performance of this contract, but are not included in Section J.4.

C-4.2 If the Contractor uses an AIS other than DIFS, the Contractor shall make available to DFAS, or its agents, licenses for continued use of the AIS at the completion of the performance period. Such license shall be made available at the most favorable terms, prices, and conditions provided to any other customer of the Contractor.

C-5 CONTRACT SCOPE

C-5.1 Business Operations

The Contractor shall perform all SAA functions defined in this PWS. The Contractor shall also support and resolve issues, explore new ways to improve performance and reduce the cost of performing future operations. This will be an important issue during contract recompetition because of the annual budget reductions received from DSCA for SAA over the last ten years. In addition, the Contractor is responsible for quality of services, timeliness of performing functions, and responding to requests for information. The Contractor shall prepare and distribute as necessary required reports as outlined in Section J.10.

C-5.1.1 Policy, Procedures, and FMFIA Compliance

The Contractor shall develop, coordinate, and conduct the oversight and implementation of guidance for policy and procedures relating to SAA activities and the programs falling underneath the umbrella of mandates required by the FMFIA. The Contractor shall perform internal review, serve as audit liaison, and provide system/security control measures in-place and under development to safeguard foreign and U.S. governmental assets against fraud, waste and abuse. This includes the related reporting associated with these activities. In addition, the Contractor shall perform special one-time studies, work recurring special projects, interact with other DoD activities on financial aspects of SAA program management, and provide senior staff support to SAA operations. Requirements include the following:

- Developing and issuing guidance and procedures for implementation of FMFIA mandates and program initiatives.
- Performing evaluations on proposed, newly implemented and existing policy and procedures in order to determine the impact on the organization and the overall Security Assistance program.

C-5.1.2 Financial Accounting, Reporting, and Reconciliation

The Contractor shall perform the following:

- Tasks related to the collecting recording and reporting of financial transactions.
- Unique financial accounting requirements for case management financial support.
- Tasks related to budget execution accounting and reporting.
- CFO Requirements.

C-5.1.2.1. Corporate Financial Accounting, Reporting, and Reconciliation

Within the corporate level (reference Section J.2, Technical Definitions), the Contractor shall perform consolidated accounting and reporting for the SAA program. Contractor's responsibilities shall include consolidation, recording, and reporting of cash and other financial transactions from the Federal Reserve Bank, commercial banking institutions, FMS customers, and the department consolidation reporting from the DoD agencies. The Contractor shall receive and record collections into the FMS customer accounts, perform consolidated reconciliation with the United States Treasury (UST) for the FMS Trust Fund, FMS customer, and FMS customer program levels, and produce consolidated Security Assistance reports to the UST, DFAS, DSCA, and other agencies of the federal government, as well as foreign government/organizations. The Contractor shall also produce trust fund level budget execution reports and CFO statements. Requirements include the following:

- Maintaining consolidated accounting records for FMS Customer Programs
 - Providing financial support for case management.
 - Reconciling financial and cash data between the corporate information system and the DSCA 1200 system.
 - Providing accounting services for accounts receivable
 - Reporting all non-payments greater than \$1.0 million and countries/programs where accrued costs exceed collections.
 - Consolidating, analyzing, and reporting accounting data.
 - Obtaining government certification as appropriate

C-5.1.2.2. Departmental Financial Accounting, Reporting, and Reconciliation

At the departmental level (reference Section J.2, Technical Definitions) of financial accounting, the Contractor's responsibilities shall include collection (consolidation), recording, and reporting of cash and other financial transactions from the installation level to produce Department of Army, Department of Navy, and Department of Air Force level cash and other financial reports, and the review and reconciliation of such reports when they are produced across all defense appropriations.

The Contractor shall perform the following:

- Consolidate and reconcile Military Departments treasury cash reports monthly.
- Research problem disbursements and maintain disbursement suspense files.
- Manage the central clearance processes for interfund billings and by and for others transactions.
- Reconcile FMS disbursement data and take appropriate corrective action.
- Produce Military Department level budget execution reports.

Requirements include:

- Accounting for and managing SAA Program Funds including foreign military sales trust fund disbursements.
 - Managing Aged Intransits, Unmatched Disbursements (UMDs), and Negative Unliquidated Obligations (NULOs) by Military Department.
 - Providing departmental financial accounting support to external customers including providing accounting data, interpreting financial data, and/or making accounting adjustments on behalf of the installation accounting activities.
 - Maintaining an in-house tracking system that will track requests for information/data against performance by the performing activity.
 - Receiving, processing, and distributing disbursements citing the SAA Program Fund Account and charge-backs of previously distributed disbursements.
- Reporting disbursement data to DIFS or contractor-provided AIS.
 - Reviewing incoming Installation Status of Funds reports and making necessary corrections.
 - Analyzing data received for completeness and reasonableness.
 - Producing the required departmental level accounting reports and financial statements.
 - Receiving, balancing, and processing monthly cash disbursements into the corporate level SAA system.
 - Clear any rejects and ensuring that total disbursements interfaced to the SAA AIS is in balance with what was reported to Treasury by the Disbursing Center.
- Reconciling Security Assistance program Fund disbursement data.
 - Reconciling and balancing disbursements reported via DD1329 Statement of Transactions or equivalent to disbursements reported to Treasury.
 - Ensuring that cross-disbursement details are reported to the appropriate DFAS departmental financial accounting database.
 - Maintaining a monthly reconcilable position between the end-of-month Treasury SAA program disbursement balance and accountable station FMS Trust Fund disbursements.
 - Reconciling and monitor Interfund bills reported through Defense Automated Addressing System (DAAS) recorded by the accountable activity via the DD1400 Schedule of Interfund Transactions.

C-5.1.2.3. Installation Financial Accounting, Reporting, and Reconciliation

The Contractor's Installation level (reference Section J.2, Technical Definitions) accounting responsibilities, where applicable, shall include the creation of disbursement/collection vouchers and documents, recording detail data into various systems for subsequent analysis and reporting, and reporting to and reconciling with departmental accounting financial records and reports, and vendor pay. The Contractor shall also account for funds and produce installation level budget execution reports. Requirements include the following:

- Recording all "DFAS recordable" accounting events in accordance with applicable directives.
 - Identifying, analyzing, managing, and reporting problem disbursements.
 - Receiving, reviewing, correcting, and reporting on Interfund disbursements made against the accountable station.
 - Preparing and processing disbursement/collection vouchers, to include obtaining expenditure authority, government certification, and pre-validation to ensure that the disbursement liquidates a valid obligation.
- Financial reporting where applicable.
 - Ensuring all monthly transactions are recorded by applicable accounting month, reviewing data in the systems for errors, making necessary corrections, and analyzing data for completeness and reasonableness (trend analysis and adverse financial condition analysis).
 - Producing on a recurring basis (per accounting period) the required installation level accounting reports and financial statements.
 - Receiving, reviewing, correcting, and reporting on cash disbursements made against the accountable station.
- Performing contract and case reconciliation where applicable.
 - Reconciling the contract disbursement/obligation data in the contract payment systems to the accounting data in the accounting systems in order to validate obligations.
 - Reconciling the FMS case financial data to the performance data and taking the appropriate corrective actions.

C-5.1.3 Cash Management Accounting

Cash Management Accounting involves the management and reporting of financial transactions related to cash availability based on a constant analysis and presentation of cash requirements to foreign purchasers, commercial banks, and the Federal Reserve

Bank (FRB) in accordance with congressional legislation. The Contractor shall perform or provide the following:

- Monthly reconciliation of detailed disbursements to UST appropriation level trial balances,
- Daily interaction between field and central site regarding the availability and approval of expenditure authority (EA) to support disbursements,
- Cash analysis to determine monthly or more frequent cash requirements for deposit to the UST,
- Withdrawal notices to the FRB and New York/commercial banks; results reporting to various DoD activities,
- Stringent internal controls to assure cash availability.
- Reconciled Treasury Trial Balance (TTB 6653) to Military Departments (MILDEP) (SF1219/DD1329 and DD1400) and DIFS reports (DIFS retrieval 'Treasury Cash Position Report').
- Determination of funds required and performing banking interfaces for those selected programs identified by DSCA.
- Analysis of country level trust fund balances to prevent abnormal balances and shortages of funds.
- Processing of Collection vouchers for all checks, Treasury wires, FRB wires, On Line Paying and Collecting (OPAC), and transfers between appropriations upon obtaining government certification as required.
- Processing of disbursement/refund vouchers for command pay, direct citation, interfund and SDAF and refunds to customers upon obtaining government certification as required.
- Review of financial requirements for DD645 Billing Statements, prepare and dispatch standard and non-standard billing statements.
- Provide vouchers to the Disbursing Officer for processing.
- Once processed, vouchers are returned to the Contractor for proper posting.

C-5.1.4 Administration

The Contractor shall perform oversight, training, clerical, and staff support functions such as human resource/Equal Employment Opportunity (EEO) related activities; metric development and presentations; equipment and supply ordering; budget administration; Living Disaster Recovery Plan Systems (LDRPS) (contingency planning and documentation) and maintenance; including other supporting programs not directly related to accounting and finance operations; and other non-accounting tasks.

Requirements include:

- Developing and issuing of guidance and procedures for implementation of Living Disaster Recovery Plan Systems (LDRPS) mandates and program initiatives.
 - Developing, coordinating, conducting, and overseeing an annual plan to perform scheduled test of contingency planning procedures to determine the need for policy and procedural changes.

- Implementing of policy and procedural requirements associated with the Security Assistance budget, training, time keeping, travel, and security programs.
 - Overseeing and implementing of equipment and supply, requisitions, and inventories
 - Overseeing and implementing of management initiatives and metrics.
- Providing management information oversight and presentations for required metrics e.g., Executive Information Management System (EIMS) data related to operational activities.

C-5.1.5. Customer Relationship Management

Customer relationship management involves tasks related to providing excellent service to SAA customers. The Contractor shall provide support including such things as customer visits (to include traveling to the customer either within the US or overseas), resolving unique customer problems, hosting customer visits to DFAS facilities, serving as the "account manager" for a military department, communicating with customers (foreign and domestic) to identify issues and problems, performing routine or special financial reviews of entire programs or portions thereof, and providing adhoc support as requested. The Contractor shall also ensure proper financial accounting guidance is provided to all interested parties and complies with higher directives and ensure that information/data is provided to all customer requests in a timely manner.

C-5.1.6 Systems Definition, Assistance and Management

The Contractor shall be responsible for the SAA AIS for detailed functional definition of requirements to comply with customer needs, law, DoD policy and procedures, internal controls, and generally accepted accounting practice. The Contractor shall perform functional test plan development and execution for this system, functional regression testing, final approval of all software development or changes thereto prior to production moves, and continuous relationship with the Central Design Agency (CDA) technology staff responsible for the design, programming, and testing of the technical system. This does not include the design and development for the replacement for DIFS. The design and development for a replacement system to DIFS to meet the changes required by the new Defense Security Assistance Management System (DSAMS) under DSCA are not within the scope of this requirement. The Contractor shall use DFAS-TDA/DE for DIFS system enhancements and maintenance.

The Contractor's responsibilities shall also encompass SAA AIS accountants' interaction with the Information Technology application development staff to help solve minor production application software problems, identification of minor changes to the production environment, functionally testing all changes and/or participation in the resolution of Production Trouble Reports (PTRs). The Contractor shall also provide assistance to and prepare data retrievals for the accounting staff and other data requesters, central user interface with the ELAN technical support staff, and serve as a central control point for coordinating office equipment repair and maintenance. Technical

application software maintenance and production environment control is the domain of the servicing information technology department.

Requirements include the following:

- Preparing systems change requirement (SCR) documents and test plans that comprehensively identify and test user changes (computations, reports, edits, etc.) to implement policy, law, accounting practice and interfaces with other systems.
- Supporting users in resolution of application software problems, training and documentation.
- Providing users with data retrieval support, ELAN technical support staff interface, security and administrative control of Automated Data Processing Equipment (ADPE) and related equipment repair and maintenance.

C-5.1.7 Delivery Reporting

The Contractor shall report valid delivery transactions to DIFS through Centralized Integrated System for International Logistics (CISIL), Management Information System for International Logistics (MISIL), Security Assistance Management Information System (SAMIS) and Case Management Control System (CMCS); record and report delivery transactions (actual adjustments) to the DFAS central FMS database from the Military Department approved Supply Discrepancy Reports (SDRs); correct delivery report exception errors from CISIL, MISIL and CMCS reports; reconcile delivery report performance to reported disbursement value and request submitter to make adjustment(s); identify and correct estimated to actual dollar value of imbalances for accessorial charges; and perform reconciliations monthly.

C-5.1.8 Case Closure

The Contractor shall validate FMS cases are balanced and close lines and cases when notified by the implementing agencies. The Contractor shall identify the cause of the out of balances and process corrections when appropriate or notify the organization responsible for the out of balance to take corrective action.

Requirements include the following:

- Research and validate Military Department's accounting records for verification with data reflected in the SAA AIS for case closure.
- Reconcile case obligations, collections, disbursements and deliveries with accelerated case closure participating countries (identified in the Reference Library) being given priority over non-participating countries. This includes collecting any outstanding amounts due prior to closure and transferring any excess funds to appropriately established accounts.
- Perform Total Final Reporting (TFR) on FMS cases when they have been final closed for approximately 24 months and remove them from the field accountable database(s). (Air Force unique requirement.)

C-6 CONTRACTOR PROPOSED AIS

If the Contractor proposes to use a commercial market AIS system, the system shall operate using technology that performs the SAA functions stated in Section C. The system shall have established interface utilities based on industry standards and meet interface requirements as outlined in Section J.5.

C-6.1 Security and Encryption Standards

The Contractor's system shall use commercially available security products that conform to current and successor security and encryption standards, and commercially available certificate authorities standards. The Contractor's system shall work properly with firewall technologies, to allow databases and information to be secured from public Internet access.

C-6.2 Contractor Security and Internal Controls

For components of the system that may be hosted in part or entirely by the Contractor, the Contractor's control structure, policies and procedures shall provide reasonable assurance of the following:

- Changes to the hardware, system software, and applications are authorized, tested, approved, properly implemented, and documented. These changes shall adhere to FMFIA guidelines in preventing fraud, waste, and abuse.
- Access to programs and data is restricted to appropriately authorized individuals.
- Enhancements and new solutions models are authorized, tested, approved, properly implemented, and documented.
- Physical access to computer equipment, storage media, and program documentation is restricted to properly authorized individuals.
- Data transmissions with government entities are complete, accurate, confidential, and secure.
- Data is safeguarded and not sold or offered to another entity without explicit permission from the government's contracting officer.

C-6.3 System Maintenance and Updates For The SAA AIS

The Contractor shall maintain the SAA AIS to meet evolving operational requirements and update the software to incorporate legislative and regulatory changes that affect SAA during the contract period. The Contractor shall incorporate the following capabilities into its AIS planning.

C-6.3.1 Capability Maturity Model (CMM)

The Software Engineering Institute (SEI) developed the CMM for software to guide organizations in assessing and improving critical software processes. The Contractor shall demonstrate a commitment to the SEI CMM, by accomplishing an independently verifiable rating of Level two (2) or higher for all related tasks at contract award, and Level three (3) or higher for those tasks during option years.

C-6.3.2 Requirements Management

Requirements management is the process of developing and maintaining requirements for a software project. The government reserves the right to impose implementation dates for changes resulting from legislation, court ordered action, or other situations beyond the SAA AIS discretionary control, but shall negotiate implementation dates for other required customer enhancements.

The Contractor shall develop and manage system requirements. This includes gathering, defining, analyzing, reviewing, and documenting requirements. The Contractor shall deliver system change specification and technical design documents.

C-6.3.3 Software Development Plan

Software development planning is the process of establishing plans for performing the software engineering and for managing the software project.

The Contractor shall produce a software development plan that reflects the software size, resources, cost estimate, performance risks, changes needed, and the schedule to implement software releases. The Contractor shall track the accomplishments and progress of a software project and compare the results with the software project plan and deliver a status report to the Contracting Officer. The software development plan shall be completed in accordance with the schedule in Section J.9, CDRL A0002.

C-6.3.4 Software Quality Assurance (SQA) Plan

The Contractor shall provide a SQA plan that describes all SQA activities required for the SAA AIS. The plan shall, as a minimum, include the schedule of all SQA activities, the description of the project, product modifications, process audits, and a description of other relevant SQA activities. The SQA Plan shall be completed in accordance with the requirements in Section J.9, CDRL A00011.

C-6.3.5 Configuration Management

The Contractor shall develop a configuration management plan that includes the documentation, version control, tractability, and a review process of changes and

modifications to the system configuration prior to implementation. The Contractor shall maintain the configuration management plan and update and maintain the baseline functional requirements. The Contractor shall also identify and recommend changes to improve system efficiencies. The configuration management plan shall be completed in accordance with the requirements in Section J.9, CDRL A0004.

C-6.3.5.1 Government-Directed AIS Changes

The Government may request system changes based on new legislation, policy, new or existing requirements, system performance issues, or enhancements. When multiple changes are requested simultaneously, the government will provide the priority of implementation and completion dates. The Contractor shall coordinate system interfaces and file formats with the appropriate entities prior to implementation.

C-6.3.5.2 SAA AIS Operating Instructions

As necessary, the Contractor shall update and provide applicable operating instructions to support the changed functionality. The Contractor shall facilitate or participate in reviews, evaluations, or meetings for government system development phases.

The Contractor shall provide the labor hours and other associated costs for the proposed changes and modifications, determine the impact of the change, and prepare a benefit analysis.

C-6.3.5.3 Personnel for Government-Directed AIS Changes

The Contractor shall provide personnel to support the requirements defined for government-directed SAA AIS changes. The Contractor shall provide the appropriate personnel to meet the performance requirements, and shall provide resumes for those labor categories designated as Key Personnel. Section J.11 describes the labor categories and requirements for personnel performing government-directed SAA AIS changes.

C-6.3.6 System Test for New Releases

The Contractor shall develop a system test plan for new releases that describes the goals and objectives of testing and the resources to successfully conduct the testing. The Contractor shall document and maintain test procedures and expected results of the test in a system test plan. The system test plan for new releases shall be completed in accordance with the schedule in Section J.9, CDRL A0005.

Prior to programming, the Contractor shall obtain certification from the government that the system changes comply with government rules and regulations. The Contractor shall distribute notification of a release to all affected areas, provide schedules of system jobs to all users when input transactions, and major system updates shall be processed. The Contractor shall provide the implementation guidance for each release and, when necessary, conduct training to maintain proficient use of the system.

C-6.3.7 Security Access

The Contractor shall process system access requests in accordance with established security procedures and provide unrestricted query access as directed by the Contracting Officer.

C-6.3.7.1 Certification and Accreditation

The Contractor shall provide a security plan describing security countermeasures that satisfy all security directives and guidance. Also, the Contractor shall maintain appropriate security and accreditation throughout the contact. The certification and accreditation shall be addressed in the security plan in accordance with the schedule in Section J.9, CDRL A0001.

C-6.3.8 Production Support

The Contractor shall perform daily-required activities to ensure successful operation of the system software and activities necessary to support all system interfaces. The Contractor shall monitor the production system to verify successful job execution and completeness, correct and manage production problems, and apply upgrades to commercial off-the-shelf (COTS) software as required to ensure software is current and updated and operating consistent with application upgrades and industry standards.

C-6.3.9 System Administration

The Contractor shall perform database administration, database design, design queries, data architecture administration, data security, resolve end user problems, support day-to-day system performance monitoring, perform system backup and recovery, and perform system and software and hardware upgrades.